

SECTION 3

APPLICATION FORMS AND REQUIREMENTS

This section contains the following general application instructions, requirements and forms that must be completed and returned as part of the application package:

- 3-A Project Summary Form**
- 3-B Sample Resolution With Certifications of Compliance**
- 3-C Community Data Summary Form**
- 3-D Citizen Participation Requirements**
- 3-E HUD Disclosure Report**
- 3-F Low- and Moderate-Income Requirements**

All forms are available on our website: <http://www.cted.wa.gov/cdbg>. If you need an electronic form emailed to you, call (360) 725-3019 or cdpsupport@cted.wa.gov.

Section 3-A

CDBG Project Summary Form

*Read instructions before you fill out this form.
Some questions may not apply to your grant.*

1.	Type of	<input type="checkbox"/> Community Investment Fund <input checked="" type="checkbox"/> General Purpose Grant <input type="checkbox"/> Housing Enhancement <input type="checkbox"/> Housing Rehabilitation	<input type="checkbox"/> Imminent Threat <input type="checkbox"/> Planning-Only Grant <input type="checkbox"/> Public Services Grant
2.	Jurisdiction:		Phone:
	Email:		Fax:
	Address:		City/Zip:
	Tax ID#:		County(ies):
	SWV#:		
3.	Contact		Title:
	Address:		City/Zip:
	Phone:		Fax:
	Email:		
4.	Subrecipient:		Title:
	Contact		Phone:
	Email:		Fax:
	Address:		City/Zip:
5.	Consultant:		Phone:
	Email:		Fax:
	Address:		City/Zip:
6.	Fiscal Year:	From _____ to _____	
7.	State Legislative District:	_____ Congressional District:	_____
8.	Project Summary:		
9.	Did a CDBG Planning-Only grant lead to this application? <i>(does not apply to Planning-Only applications)</i>		<input type="checkbox"/> Yes <input type="checkbox"/> No
10.	Project Category: <i>(check all that apply)</i>	<input type="checkbox"/> Community Facilities <input type="checkbox"/> Public Facilities <input type="checkbox"/> Economic Development <input type="checkbox"/> Comprehensive <input type="checkbox"/> Housing <input type="checkbox"/> Planning <input type="checkbox"/> Public Services	

Section 3-A

CDBG Project Summary Form

*Read instructions before you fill out this form.
Some questions may not apply to your grant.*

11. National Objective:	<input type="checkbox"/> Principally benefits low- and moderate-income (LMI) persons or households, _____ % <input type="checkbox"/> Prevents or eliminates slums or blight. <input type="checkbox"/> Meets urgent community development needs that pose a serious and immediate threat to public health or safety.
--------------------------------	--

12. Project Budget:	CDBG	\$	*State funds include CSBG and HTF dollars. See instructions for more detail.
	Other Federal	\$	
	State*	\$	
	Local Public	\$	
	Private	\$	
	TOTAL:	\$	

13. Project Beneficiaries:	# Persons:		
	# LMI Persons:		
	# Households:		
	# LMI		
	Households:		

14. How were the beneficiaries determined?	<input type="checkbox"/> 2000 Census <input type="checkbox"/> Income Survey <div style="margin-left: 150px;">Date: _____</div>
---	---

15. Certification of Chief Administrative Official:	
<div style="border-top: 1px solid black; margin-bottom: 5px;"></div> Signature	<div style="border-top: 1px solid black; margin-bottom: 5px;"></div> Date
<div style="border-top: 1px solid black; margin-bottom: 5px;"></div> Print Name	<div style="border-top: 1px solid black; margin-bottom: 5px;"></div> Title

Section 3-A

CDBG Project Summary Form

*Read instructions before you fill out this form.
Some questions may not apply to your grant.*

Instructions

The Project Summary Form serves as the cover page for the application and should be the first page inside the cover.

1. Select the type of grant you are applying for.
2. The applicant jurisdiction must be a non-entitlement city or county. The Tax Identification number is usually a “91-” number. If a jurisdiction has a statewide vendor (SWV) number, it should be included on this form.
3. Provide information on the contact person, should we need more information about your project. If funded this person will be the main contact for the CDBG contract.
4. Provide information on any subrecipient organization that will benefit from the project or receive CDBG funds as a pass through.
5. Provide information on the consultant used to develop the proposal, if applicable.
6. List the month and day of the applicant’s fiscal year from beginning to end.
7. List the numbers of the state and congressional districts.
8. Provide a brief project summary, highlighting what is to be accomplished and the major elements of the project.
9. You do not need to answer this question if you are applying for a Planning-Only Grant.
10. Check the appropriate project category. Some may not apply to your type of grant.
11. You must list the percentage of LMI benefit. Also, It is not necessary to address more than one national objective.
12. List the project budget. State funds include Housing Trust Fund (HTF) and Community Services Block Grant (CSBG) dollars.
13. List number of people, households, people qualifying as LMI, and households qualifying as LMI that will benefit from the project.
14. Select how beneficiaries are determined. If you completed an income survey please list the date of the survey.
15. This form must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator, or city manager as applicable). Print the official’s name and title. An original signature must be submitted.

SECTION 3-B. SAMPLE RESOLUTION WITH CERTIFICATIONS OF COMPLIANCE

WHEREAS, (name of city, town, or county) is applying to the state Department of Community, Trade and Economic Development for funding assistance;

WHEREAS, it is necessary that certain conditions be met as part of the application requirements;

WHEREAS, (name of chief administrative official and title) is authorized to submit this application to the State of Washington on behalf of (name of city, town, or county);

NOW, THEREFORE, be it resolved that the (name of city, town, or county) authorizes submission of this application to the state Department of Community, Trade and Economic Development to request \$ (amount of funding requested) to (project description), and certifies that, if funded, it:

Will comply with applicable provisions of Title I of the Housing and Community Development Act of 1974, as amended, and other applicable state and federal laws;

Has provided opportunities for citizen participation comparable to the state's requirements (those described in Section 104(a)(2)(3) of the Housing and Community Development Act of 1974, as amended); has complied with all public hearing requirements and provided citizens, especially low- and moderate-income persons, with reasonable advance notice of and the opportunity to present their views during the assessment of community development and housing needs, during the review of available funding and eligible activities, and on the proposed activities;

Has provided technical assistance to citizens and groups representative of low- and moderate-income persons that request assistance in developing proposals;

Will provide opportunities for citizens to review and comment on proposed changes in the funded project and program performance;

Will not use assessments against properties owned and occupied by low- and moderate-income persons or charge user fees to recover the capital costs of CDBG-funded public improvements from low- and moderate-income owner-occupants;

Will establish a plan to minimize displacement as a result of activities assisted with CDBG funds; and assist persons actually displaced as a result of such activities, as provided in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended;

Will conduct and administer its program in conformance with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act, and will affirmatively further fair housing (Title VIII of the Civil Rights Act of 1968); and has adopted (or will adopt) and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and has adopted (or will adopt) and implement a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstration within its jurisdiction, in accordance with Section 104(1) of the Title I of the Housing and Community Development Act of 1974, as amended; and

Will provide, upon request, and prior to any obligation of funds being made, a complete and accurate CDBG Federal Funds Disclosure Report detailing the required applicant/grantee information and, as appropriate, other government assistance provided or applied for, interested parties and expected sources, and uses of funds.

(Name of city, town, or county) designates (name of city manager, county administrator, mayor) as the authorized Chief Administrative Official and the authorized representative to act in all official matters in connection with this application and (name of city, town or county)'s participation in the State of Washington CDBG Program.

Signature _____ Date _____

Name _____ Title _____

Attested _____ Date _____

RESOLUTION WITH CERTIFICATIONS OF COMPLIANCE INSTRUCTIONS

The applicant's local legislative body must pass a resolution authorizing the chief administrative official to submit the CDBG application to CTED and certifying compliance with state and federal laws and specific program requirements. See Appendix D for a summary of these federal and state regulations.

Retype the sample resolution provided on the previous page, inserting local and project specific information as indicated. The CDBG amount you list in the resolution must not be less than the actual amount request in the application budget. This resolution may be reformatted to meet the jurisdiction's requirements for official resolutions.

The resolution must be signed by the authorized chief administrative official, and a signed copy must be included with the application. The chief administrative official is the mayor, county commission chair, county administrator or city manager.

A resolution that references another project submitted previously for CDBG funding will not be accepted.

SECTION 3-C. COMMUNITY DATA SUMMARY FORM

The Community Data Summary Form provides general demographic and financial information about the applicant jurisdiction and the project.

The information is used by the CDBG review team to analyze and compare similar projects.

1. GENERAL DEMOGRAPHICS

- a. Jurisdiction Name _____
- b. Population in jurisdiction _____
- c. Population in the target area if smaller or larger than the jurisdiction _____
- d. Number of households in jurisdiction _____
- e. Number of households in the target area if smaller or larger than the jurisdiction _____
- f. Number of Hispanic or Latino residents _____
- g. Number of residents by racial origin within the jurisdiction or target area as requested by HUD:
- | | |
|------------------------|--|
| _____ White | _____ American Indian/Alaskan Native |
| _____ Asian | _____ Native Hawaiian/Pacific Islander |
| _____ African American | _____ Other |

If local surveys have not been conducted, data for some of these racial categories can be found by accessing the 2000 U.S. Census Bureau website at <http://www.factfinder.census.gov>:

- Enter the **city/town or county** and select **Washington**. Hit **GO**.
- Scroll down to the **General Characteristics** heading and look under the “**one race**” category.
- Use the numbers provided under the “**numbers**” column for each race category and the Hispanic designation. The Hispanic or Latino numbers should not be included in the total number of persons because they are not racial classifications.

- h. _____ Number of **female** Head of Households
- i. _____ Number of **elderly** persons
- j. _____ % Unemployment rate of jurisdiction for the most current year (available from the Labor Market and Economic Analysis [LMEA]: **1-800-215-1617**)

2. LOCAL FINANCIAL CONDITION

Note: Applications in support of a special purpose district need to answer only questions applicable to the target district. If the jurisdiction is not authorized under state law to levy any one of the following taxes or rates, insert N/A in the appropriate space.

- a. Total current regular-levy property tax rate per \$1,000 assessed evaluation. _____
- b. Maximum regular levy property tax rate per \$1,000 valuation.
The amount that can be obligated. _____
- c. Does the current rate reflect an increase from the prior year equivalent to the 101 percent levy increase limit in CH.84.55.RCW? ☐ YES ☐ NO

3. FLOOD PLAIN INSURANCE PROGRAM

- a. Will the proposed project affect a flood plain? ☐ YES ☐ NO
- b. Will the proposed project be located in a flood plain? ☐ YES ☐ NO

If the answer to either (a) or (b) is YES, then the jurisdiction must be enrolled in the National Flood Plain Insurance Program, and **documentation of enrollment must be provided**.

Note: Flood Plain maps are online: <http://msc.fema.gov>. On the bottom-left find **Flood Maps**. Follow the prompts for **state, county and community**. Choose **view** and continue to follow the prompts until you find results.

For public facilities proposals and comprehensive proposals which include public facilities activities, please complete the following:

4. UTILITY RATES

Use the residential rate for all utilities.

- a. Current average monthly residential rate for water, sewer and garbage:
Water \$_____ Sewer \$_____ Garbage \$_____
- b. Anticipated average monthly residential rate for water, sewer and garbage after completion of project without CDBG assistance:
Water \$_____ Sewer \$_____ Garbage \$_____
- c. Anticipated average monthly residential rate for water, sewer and garbage after completion of project with CDBG assistance:
Water \$_____ Sewer \$_____ Garbage \$_____
- d. Month/year of most recent increase for each utility:
Water ____/____ Sewer ____/____ Garbage ____/____
- e. Amount and percent of most recent increase:
Water \$_____ Sewer \$_____ Garbage \$_____
Water ____% Sewer ____% Garbage ____%

SECTION 3-D. CITIZEN PARTICIPATION REQUIREMENTS



The contents of Part D include detailed information as to how to meet the federally mandated citizen participation requirements. Immediately following the requirements you will find sample notices and handouts.

Review ALL the materials with the staff person responsible for public hearings and establish a timeline for completion. You can't start on this aspect of your application too soon.

To apply for CDBG funds, a jurisdiction must show it has involved its citizens in the CDBG application process and complied with the specific federal citizen participation requirements outlined in 24 CFR 570.486. These regulations are provided on page 57. The purpose of these citizen participation activities is to inform the residents and the decision-makers of the availability of CDBG funds and to provide residents the opportunity (especially LMI persons) to present potential projects and input on proposed projects.

If a jurisdiction intends to apply for more than one type of CDBG grant during the same year, it is advisable to contact the CDBG office to discuss how to coordinate these citizen participation and public hearing requirements.

SUMMARY

The minimum citizen participation requirements for the submission of a CDBG application are:

1. Conduct at least one public hearing prior to submission of the CDBG application. This hearing must be held at a convenient time and location to encourage citizen participation.
2. Publish an official announcement of the hearing, providing reasonable advance notice. A sample public hearing notice with required language is provided on page 53.
3. Distribute information on the availability of CDBG funds and the eligible uses at the public hearing. Sample fact sheets are provided on page 55. The hearing minutes must reflect that these handouts were distributed at the public hearing.
4. **Review local demographic data to determine if it is reasonable to expect a significant number of non-English speaking residents to participate in the public hearing and advertise and conduct the public hearing in accordance with this determination. Detailed guidance on providing and documenting Outreach and Accommodation for Non-English Speaking Residents is provided on page 51.**
5. Adopt a grievance procedure for the use of CDBG funds. A sample grievance procedure is provided on page 58.
6. Document that the notice was published and the hearing was held. A documentation checklist is provided on the next page.

REQUIRED CITIZEN PARTICIPATION DOCUMENTATION

THE FOLLOWING DOCUMENTS **MUST** BE SUBMITTED WITH THE APPLICATION:

- ✓ A copy of the public hearing minutes, including a statement that the CDBG required handouts were distributed.
- ✓ A copy of the affidavit of publication or a copy of the actual notice from the newspaper.
- ✓ The Outreach and Accommodation for Non-English Speaking Residents form, documenting the review and determination of local data on non-English speaking populations, the list of outreach steps (if applicable) and accommodations made.
- ✓ A copy of the jurisdiction's adopted Grievance Procedure.

See the following pages for more important information on these requirements. ⇒

DETAILED INFORMATION ON THE REQUIREMENTS

1. Public Hearing Logistics

What is a public hearing? – A public hearing is a meeting of a governmental body during which the public is invited to the council or board of county commissioners, who will primarily listen and receive public input. A public hearing may be held as part of a regularly scheduled public meeting where official decisions may then be made or where it is elected to make a decision at a subsequent meeting.

Who must conduct the hearing? – The applicant city, town or county. Although some applications are developed by other community organizations or special districts, these organizations cannot conduct the hearing and have it meet CDBG requirements.

When must the hearing be held? – Prior to submission of the CDBG application and within 18 months of the application submittal date.

Where must the hearing be held? – The hearing location must be accessible to persons of disability. The location must also be convenient for persons likely impacted by the proposed project. This is particularly relevant for a county proposing a project in a community that is far from the county seat.

2. Public Hearing Notice

When must the advance notice be made? – Generally, a legal notice is published at least one week prior to the hearing date. The notice must meet the local public hearing notice requirements.

Where must the notice be made? – The hearing must be well advertised, generally in the official local paper. In addition, public notice can be made using community bulletin boards, local newsletters, billing statements, newspaper articles or door-or-door distribution. Residents within those areas in which CDBG funds are proposed to be used, especially the low- and moderate-income persons, should be encouraged to attend or provide comment.

What must the notice say? – A sample notice is provided on page 53.

3. Public Hearing Purpose

What must the CDBG hearing cover? – The hearing is to obtain citizens' views and respond to proposals and questions. It must cover community development and housing needs and the availability of CDBG funds. The CDBG Program handout materials are to be distributed. Additional handout materials describing the proposed project(s) are advisable. A copy of the handout information in Spanish is provided in Appendix E and in English on page 55.

4. Meeting the Needs of Non-English Speaking Residents

All applicants must complete the **Outreach and Accommodation Form** on page 51. This form provides guidance on meeting this requirement, lists potential outreach steps and accommodations, and outlines how to document the efforts. The CDBG public hearing should not be advertised or conducted without first ensuring appropriate outreach and accommodations are accomplished.

The federal regulations on page 57 state that "public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate." The applicant jurisdiction must review local demographic data and consider the potential impacts of the proposed project to determine the appropriate outreach steps and accommodations to meet the needs of non-English speaking residents.

Data on the number and percent of non-English speaking residents in a jurisdiction can be found by accessing the 2000 Census website at <http://www.factfinder.census.gov> and then following these directions:

- Enter the city/town or country and select Washington State and hit **GO**.
- Scroll down to **Social Characteristics** heading and select show more.
- Scroll down to nearly the bottom of the table to the **LANGUAGE SPOKEN AT HOME** heading and identify the other languages spoken, such as Spanish.
- Under the predominant other language spoken, look for the percentage of the population that speaks English less than "very well."
- Use these percentages to determine whether specific outreach or additional accommodations are necessary to meet the needs and encourage participation from non-English speaking residents.

Contact the CDBG office for assistance in accessing and interpreting this data.

5. Grievance Procedure

What must the procedure do? – The grievance procedure must provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable. A sample procedure to be adopted is provided on page 58.

√ **NOTE: If funded**, an additional public hearing will be required towards the end of the project to review and receive comments on the project's performance. This final public hearing should be included in your proposal's Work Plan. Also if funded, a public hearing would be required if activities are proposed to be added, deleted or substantially changed from the original proposal.

CITIZEN PARTICIPATION FORMS AND SAMPLE DOCUMENTS

See the following pages for assistance in meeting the requirements ⇒

√ **HELPFUL HINT:** Plan for the required initial public hearing NOW! Decide the hearing date and then work backward to determine when and how the public announcement must be published to allow sufficient notice time and outreach.

OUTREACH AND ACCOMMODATION FOR NON-ENGLISH SPEAKING RESIDENTS FORM

This form documents the applicant jurisdiction's determination whether additional public hearing outreach and accommodations for local non-English speaking residents are required and lists the outreach steps and accommodations provided. The federal regulations state that "public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate." The CDBG Program benefits low- and moderate-income persons and strongly encourages a jurisdiction to make efforts to receive input on community needs from minority populations. To meet the CDBG requirements for outreach and accommodation for non-English speaking residents, the jurisdiction must:

- √ Complete and submit this form with the application.
- √ Properly advertise the public hearing (see the sample public hearing notice's accommodation clause options) and submit a copy of the notice with the application.
- √ Follow the public hearing notice and provide any necessary accommodations at the public hearing.

Significant Population - General guidance is if 2000 Census data show that more than 10 percent of the jurisdiction's population speaks English less than "very well" or if more than 10 percent of the project's targeted population speak English less than "very well," then it is reasonable to expect and encourage a significant number of non-English speaking residents to participate. In such cases, special outreach and accommodations are recommended to inform this population of the opportunity to receive information on the CDBG Program and input on the proposed project. (See B. and D.)

OUTREACH - Complete either A. or B., as applicable.

A. To document that targeted outreach to non-English speaking residents was NOT necessary, check the box and provide any additional explanation:

- ☐ Data on local non-English speaking populations, including 2000 Census Data, demonstrate that it is NOT reasonable to expect a significant number of non-English speaking residents to attend the CDBG application public hearing. See previous page for assistance on accessing 2000 Census Data.

Explain below any local circumstances that contribute to your interpretation of the data:

If you were able to check the A. box above, you can skip B. and complete C.

B. To document the outreach steps taken when it was expected non-English speaking residents would participate in the public hearing, check the boxes that apply:

- ☐ The CDBG public hearing notice was advertised in an alternate language.
- ☐ The CDBG public hearing was announced on an alternate language radio or television station.
- ☐ The CDBG public hearing notice in an alternate language was posted in advance at the following locations to target the non-English speaking population:

<u>Location</u>	<u>Date Posted</u>
1.	
2.	
3.	
4.	

- ☐ Members of organizations and advocacy groups representing non-English speaking populations were invited to attend the CDBG public hearing.
- ☐ Leaders and interested parties from the minority community were directly invited to attend the CDBG public hearing.
- ☐ Other:

ACCOMMODATIONS - Complete either C. or D. as applicable

C. For jurisdictions where it was determined a significant number of non-English speaking residents were NOT expected to participate (A. box is checked above), the following minimum accommodation was made available:

- ☐ The CDBG public hearing notice states that arrangements to reasonably accommodate the needs of special classes of citizens, including handicap accessibility or interpreter, will be made upon advance notice request. **Submit** a copy of the affidavit of publication or a copy of the actual notice from the paper to document.

D. For jurisdictions where a significant number of non-English speaking residents were expected to participate (B. box is checked above), the following accommodations were all made:

- ☐ The CDBG public hearing notices state that an interpreter will be available (*even without advance request*). **Submit** a copy of the affidavit of publication or a copy of the actual notice from the paper; and
- ☐ CDBG public hearing handouts were available in the alternate language at the public hearing. Sample handouts in Spanish are available in Appendix E.
- ☐ Other:

SAMPLE PUBLIC HEARING NOTICE

Additional information can be added to these required clauses to meet specific local announcement needs and to encourage participation.

If a jurisdiction intends to apply for more than one type of CDBG grant during the same year, it is advisable to contact the CDBG office to discuss how to coordinate these citizen participation and public hearing requirements.

Where/When:	NOTICE IS HEREBY GIVEN that a public hearing will be held by the (<i>city council/county board of commissioners</i>) in the (<i>council chambers/hearing room</i>), (<i>location</i>), on (<i>date and time</i>).
Basic Clause:	The purpose of the public hearing is to review community development and housing needs, inform citizens of the availability of funds and eligible uses of the state Community Development Block Grant (CDBG), and receive comments on proposed activities, particularly from low- and moderate-income persons and persons residing in the (<i>name of area</i>) area.
Clause describing the availability of funds and eligible uses:	Up to \$1,000,000 may be available to the (<i>city/county</i>) on a statewide competitive basis to fund public facility, housing, economic development, or community facility projects that principally benefit low- and moderate-income persons.
Comment clause:	The draft application for the (<i>project name</i>) proposal will be available for review at the (<i>location – government office and/or library</i>), (<i>time and date</i>). Comments may also be submitted in writing to (<i>city/county</i>), (<i>time period</i>).
Accommodation clause: For applicants who checked box C. in the Outreach and Accommodation Form.	The (<i>council chambers/hearing room</i>) is handicap accessible. Arrangements to reasonably accommodate special needs, including handicap accessibility or interpreter, will be made upon receiving 24-hour advance notice. Contact (<i>name</i>) at (<i>number, location</i>).
Or For applicants who checked box D. in the Outreach and Accommodation Form.	A (<i>insert alternate language</i>) interpreter will be available. The (<i>council chambers/hearing room</i>) is handicap accessible. Additional arrangements to reasonably accommodate special needs will be made upon receiving 24-hour advance notice. Contact (<i>name</i>) at (<i>number, location</i>).



Community Development Block Grant

Local Government Division

For More Information

Peter McMillin
Managing Director
360.725.3005
Peterm@cted.wa.gov

Dan Riebli
CDBG Program Manager
360.725.3017
Danr@cted.wa.gov

Sheila Lee-Johnston
CDBG Project Manager
360.725.3009
Sheilal@cted.wa.gov

Bill Prentice
CDBG Project Manager
360.725.3015
Billp@cted.wa.gov

Sharon Robinson
CDBG Project Manager
360.725.3010
Sharonr@cted.wa.gov

Kaaren Roe
CDBG Project Manager
360.725.3018
Kaarenr@cted.wa.gov

Leona Moon
CDBG Program Coordinator
360.725.3022
Leonamo@cted.wa.gov

Introduction

The Washington State Community Development Block Grant (CDBG) Program provides funds on a competitive basis for housing, infrastructure, and community facilities, economic development, and planning projects that principally benefit low- and moderate-income (LMI) households.

The Washington State CDBG Program is funded by the U.S. Department of Housing and Urban Development (HUD). The purpose of the state CDBG Program is to improve and maintain the environment of eligible, non-entitlement cities and counties in order to enhance the quality of life for LMI residents and, as a result, benefit the entire community.

Funds Available

For 2007 it is anticipated that approximately \$15 million in federal funds will be awarded to Washington State. It is proposed that funds be distributed as follows:

- **General Purpose Grant** **\$ 7,000,000**
Contact: Bill Prentice
Annual grant cycle during which eligible applicants may request up to \$1,000,000 per application for housing, infrastructure, community facilities, or economic development/microenterprise projects principally benefiting LMI persons. The application due date for the 2007 grant cycle is November 16, 2006, with awards announced mid-March 2007.
- **Community Investment Fund Grant** **\$ 3,356,516**
Contact: Dan Riebli
Provides technical and financial assistance to eligible communities of up to \$1,000,000 per application throughout the year on a funds available basis for housing, infrastructure, community facilities, or economic development/microenterprise projects identified through a local prioritization process. Assistance is coordinated with the department's Resource Team.
- **Planning-Only Grant** **\$ 500,000**
Contact: Sheila Lee-Johnston
Provides funds to eligible communities on a funds available basis for a wide range of planning activities that address public health and safety issues; improve essential services to LMI individuals; complete a necessary and specific step within a broader community development strategy; or meet a planning requirement that will principally benefit LMI persons. Grants of up to \$35,000 are available, based on type of project. Multiple jurisdictions may request up to \$50,000.

- **Imminent Threat Grant** **\$ 200,000**
 Contact: Bill Prentice
 Provides funds to address unique emergencies posing a serious and immediate threat to public health and safety on a funds availability basis. Upon formal Declaration of Emergency, costs can be covered for a temporary repair or solution while funding for a permanent fix is secured.
- **Housing Enhancement Grant** **\$ 850,000**
 Contact: Sharon Robinson
 Companion funds to support priority applications submitted to the Washington State Housing Trust Fund.
- **Housing Rehabilitation Grant** **\$ 1,000,000**
 Contact: Dan Riebli
 Funds to support local housing rehabilitation activities. Grants of up to \$500,000 can be awarded annually.
- **Public Services Grant** **\$ 1,543,484**
 Contact: Kaaren Roe
 Grants made available through counties to community action agencies serving non-entitlement areas for activities serving LMI people. Funding provided by formula and administration coordinated with the state Community Services Block Grant Program.
- **Administrative One Percent Set-aside for Technical Assistance**
 One percent of the state's annual allocation of CDBG funding is used to provide technical assistance to CDBG eligible jurisdictions.
- **Business Loan Portfolio**
 Contact: Dan Riebli
 Four types of block grant lending instruments are currently used in Washington to assist business:

 - CDBG Float-Funded Activity Program
 - Loans from the Rural Washington Loan Fund
 - HUD Section 108 Guarantee Loans
 - Regional Microenterprise Development Grants

Eligibility Guidelines

- Eligible applicants are Washington State cities and towns with less than 50,000 in population or counties with less than 200,000 in population that are non-entitlement jurisdictions or are not participants in a HUD Urban County Entitlement Consortium.
- Non-profit organizations, Indian tribes, and special purpose organizations such as public housing authorities, port districts, community action agencies, and economic development councils, are not eligible to apply directly to the CDBG Program for funding. However, eligible jurisdictions may choose to serve Indian tribes within their jurisdiction or to involve the other organizations in the operation of projects funded under the program.
- Projects must principally benefit LMI persons. LMI is defined as 80 percent of county median income.
- Applicants may submit one request per fund each program year.

Federal Citizen Participation Requirements for Local Government Applicants to the State CDBG Program

Federal Regulations 24 CFR 570.486 (a)

- (a) *Citizen participation requirements of a unit of general local government.* Each unit of general local government shall meet the following requirements as required by the state at Sec. 91.115(e) of this title.
- (1) Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;
 - (2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed and actual use of CDBG funds;
 - (3) Furnish citizens information, including but not limited to:
 - (i) The amount of CDBG funds expected to be made available for the current fiscal year (including the grant and anticipated program income);
 - (ii) The range of activities that may be undertaken with the CDBG funds;
 - (iii) The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons; and
 - (iv) The proposed CDBG activities likely to result in displacement and the unit of general local government's anti-displacement and relocation plans required under Sec. 570.488.
 - (4) Provide technical assistance to groups representative of persons of low and moderate income that request assistance in developing proposals in accordance with the procedures developed by the state. Such assistance need not include providing funds to such groups;
 - (5) Provide for a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. The public hearings to cover community development and housing needs must be held before submission of an application to the state. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate;
 - (6) Provide citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in an application to the state and, for grants already made, activities which are proposed to be added, deleted or substantially changed from the unit of general local government's application to the state. ***Substantially changed*** means changes made in terms of purpose, scope, location or beneficiaries as defined by criteria established by the state.
 - (7) Provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable.

SAMPLE GRIEVANCE PROCEDURE

This grievance procedure is intended to serve as a guide and should be revised to reflect local circumstances and to incorporate any applicable state or local laws.

1. Submit complaints in writing to the designated official (such as the city manager, city/county clerk, or county executive) for resolution. A record of the complaints and action taken will be maintained. A decision by the designated official will be rendered within 15 working days.
2. If the complaint cannot be resolved to your satisfaction by the designated official,
 - It will be forwarded to a committee appointed by the governing body. This committee's membership, its ground rules or procedures for hearing complaints, and how the committee can be contacted will be available to the public. The committee will be directed to hear such complaints in an objective, public manner, and after adequate public notice. A written decision will be made within 30 working days. Proceedings of the committee will be recorded and maintained.

OR

- The complaint will be heard and discussed by the governing, elected body at an open, public meeting. A written decision will be made within 30 working days. The decision of the governing body is final.
3. A record of action taken on each complaint will be maintained as a part of the records or minutes at each level of the grievance process.

Adopted this _____ day of _____, 200 .

Signature of Chief Administrative Official

Title

Attest: _____

Applicant/Recipient Disclosure/Update Report

U.S. Department of Housing
and Urban Development

OMB Approval No. 2510-0011 (exp. 12/31/2006)

Instructions. (See Public Reporting Statement and Privacy Act Statement and detailed instructions on page 2.)

Applicant/Recipient Information

Indicate whether this is an Initial Report ☐ or an Update Report ☐

1. Applicant/Recipient Name, Address, and Phone (include area code):

() -

2. Social Security Number or
Employer ID Number:

- -

3. HUD Program Name

4. Amount of HUD Assistance
Requested/Received

5. State the name and location (street address, City and State) of the project or activity:

Part I Threshold Determinations

1. Are you applying for assistance for a specific project or activity? These terms do not include formula grants, such as public housing operating subsidy. (For further information see 24 CFR Sec. 4.3).

☒ Yes ☐ No

2. Have you received or do you expect to receive assistance within the jurisdiction of the Department (HUD), involving the project or activity in this application, in excess of \$200,000 during this fiscal year (Oct. 1 - Sep. 30)? For further information, see 24 CFR Sec. 4.9

☐ Yes ☐ No.

If you answered "No" to either question 1 or 2, **Stop!** You do not need to complete the remainder of this form. **However**, you must sign the certification at the end of the report.

Part II Other Government Assistance Provided or Requested / Expected Sources and Use of Funds.

Such assistance includes, but is not limited to, any grant, loan, subsidy, guarantee, insurance, payment, credit, or tax benefit.

Department/State/Local Agency Name and Address	Type of Assistance	Amount Requested/Provided	Expected Uses of the Funds

(Note: Use Additional pages if necessary.)

Part III Interested Parties. You must disclose:

- All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Alphabetical list of all persons with a reportable financial interest in the project or activity (For individuals, give the last name first)	Social Security No. or Employee ID No.	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)

(Note: Use Additional pages if necessary.)

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosures of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature:

Date: (mm/dd/yyyy)

X

****Note: This certification must be signed by the Chief Administrative Official (mayor, county commission chair, county administrator, or city manager)**

Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is optional. The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Freedom of Information Act (5 U.S.C. §552) and HUD's implementing regulations at 24 CFR Part 15. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §4.38.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance):

General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. **NOTE:** In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

General Purpose Grant Application

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
 2. State the type of other government assistance (e.g., loan, grant, loan insurance).
 3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
 4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.
- B. Non-Government Assistance.** Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD **and any other source** - that have been or are to be, made available for the project or activity. Non-government sources of funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

SECTION 3-F. LOW- AND MODERATE-INCOME REQUIREMENTS



CDBG General Purpose Grant applications must document how the project will principally benefit low- and moderate-income (LMI) persons.

LMI is defined as income up to 80 percent of the median county income by household size. Appendix B lists the 2006 LMI limits for each county, as defined by HUD.

Based on CDBG regulations, there are four categories for LMI benefit:

- | | |
|-----------------------------------|---|
| 1. Area benefit activities | Direct benefit activities |
| | 2. Limited clientele |
| | 3. LMI Housing |
| | 4. LMI Job creation or retention |

The first and very important step is to clearly determine the boundaries of the proposed service area and the population to be served.

Area Benefit Activities

Area benefit is the most commonly used category for basic activities. It is an activity that benefits all residents in a particular area, where at least 51 percent of the residents are LMI persons.

Examples include:

- Water and sewer improvements
- Community centers

Required documentation (instructions and tables available on page 69):

1. Census data - Using HUD's 2000 Census data, document the jurisdiction or the applicable census area is at least 51 percent LMI. Appendix A lists the jurisdictions that meet this criterion. Instructions on receiving HUD's 2000 Census data by census tract or block group are on the next page. List the source of census data used and provide associated maps, as instructed.

OR

Income survey - Document that a statistically valid income survey of the service area was conducted after January 2001. Appendix C provides guidance on how to conduct a community income survey. The Income Survey Worksheet must be completed and the survey methodology must be documented, as instructed.

2. Complete the LMI Benefit Table.

How to Access LMI Census Data:

HUD's 2000 Census data by jurisdiction, census tract and block group is available at:
<http://www.ofm.wa.gov/census2000/default.asp>.

For unincorporated communities or service areas, the first step in using this census data is to identify the census tract and block group by reviewing census maps. These maps are available on the Census website: <http://www.census.gov>, or through your local planning agency. Once the applicable census tract and block group numbers are identified, HUD's census data spreadsheet can be used. The final column (AL) on this spreadsheet lists the LMI percentage.

Since HUD's census data is in a large spreadsheet, you may need to contact the CDBG Program for assistance in identifying the applicable population and low- and moderate-income population data for a specific jurisdiction, census tract or block group.

Note the following special circumstances:

If a proposed project is to benefit an area that extends outside the incorporated jurisdiction and does not coincide sufficiently well with census boundaries, then an income survey of this larger benefit area must be conducted.

If a proposed project is to exclusively benefit a smaller area within the jurisdiction and the project clearly does not benefit the jurisdiction as a whole, then an income survey of this smaller benefit area must be conducted. However, since projects for smaller target areas are generally viewed by the CDBG Program as a benefit to the entire jurisdiction and determined ineligible, it is recommended the proposed project and income survey first be discussed with CDBG staff.

If a jurisdiction does not meet the 51 percent LMI National Objective criteria and desires to target an area or neighborhood that is over 70 percent LMI or is participating under the Empowerment Zone/Enterprise Community (EZ/EC) initiative, they may be able to meet the area benefit requirements under the Community Revitalization Strategy (CRS) process pursuant to 24 CFR 570.483(b)(1)(v) and (e)(5)(i). Contact CDBG staff for additional information and guidance.

Direct Benefit Activities

These activities directly target services to lower income persons or benefit a limited number or specific group of people as long as at least 51 percent of those served are LMI persons (rather than everyone in an area). An activity can provide a direct benefit with the use of CDBG funds in any of the following ways:

Limited Clientele

- **Exclusively benefit a clientele who are presumed by HUD to be principally LMI persons. These special groups include:**
 - Abused children
 - Battered spouses
 - Illiterate persons
 - Elderly persons
 - Homeless persons
 - Migrant farm workers
 - Severely disabled adults (meeting Census' definition)
 - Persons living with the disease AIDS

If an activity is targeting persons belonging to one of the above HUD-defined special groups, it can be presumed, without requiring a survey, that the activity will be providing a 51 percent benefit to LMI persons. A housing or job creation project cannot be qualified as benefiting LMI based on this special group presumed benefit.

Examples include:

- Construction of a facility to assist battered spouses
- Renovation of a senior center

OR

- **Information on family size and income is available and shows at least 51 percent of the activity's clientele meet and will continue to meet the LMI income criteria.**

Examples include:

- Renovation of a child care facility
- Renovation of a work force training center.

OR

- **Income eligibility requirements limit the activity to LMI persons only.**

Example includes:

- Acquisition of a building to serve as a new Head Start Center.

OR

- **Be of such nature and location that it may reasonably be concluded that the activity's clientele will primarily be LMI persons.**

Example includes:

- Construction of a day care center designed to serve a public housing complex.

OR

LMI Housing

Require information on household income and residency of homeowners (or renters and affordable rent levels, if applicable) to establish eligible LMI households or housing units. For multiple unit housing projects, over half of the units must benefit LMI households.

Examples include:

- Payment of infrastructure improvement assessments for LMI owner-occupied homes. (*An area benefit exception.*)
- Housing rehabilitation – The rehabilitation of single- and multi-family residences occupied by owner or renter LMI households.
- Acquisition – The acquisition of property to be used for permanent housing to be occupied principally by owner or renter LMI households.
- Side service connections – The construction cost to hook-up and install or rehabilitate the side connections for owner or renter LMI households.

OR

LMI Jobs

Directly result in the creation or retention of jobs, at least 51 percent of which, on a full-time equivalent (FTE) basis, are documented as either *held by* LMI persons or made *available to* LMI persons.

Examples include:

- Construction by the local government or subrecipient of a business incubator.
- Installation of public water and sewer lines to a site to serve a new distribution warehouse.

Required documentation:

1. Complete the LMI Benefit Table on page 69.
2. Attach a description of the methodology used to establish principal benefit to LMI or the process to determine eligible LMI households or jobs, as instructed in Row I and Row J of the LMI Benefit Table.

Note the following special circumstances:

If a proposed project, such as a community center, is to provide space that will benefit the entire area but also is to provide space that targets lower income or special need clientele, then the LMI Benefit Table must document that either the entire project can qualify as an area benefit project OR that area data and income qualification data can be combined in proportion to the space used to demonstrate the project's overall benefit to low- and moderate-income persons.

If your project is close to the descriptions provided but uncertainty still exists, contact the CDBG Program to discuss your proposal, confirm eligibility and determine specific documentation requirements.

The CDBG General Purpose Grant may not be the most appropriate CDBG fund for your housing or economic development project. It is recommended you contact the CDBG Program Staff to discuss your project and consider other CDBG or non-CDBG funding sources.

INCOME SURVEY WORKSHEET

(See instructions on next page)

NOTE: This Income Survey Worksheet is required only when an income survey is being used to document benefit.

1. Enter the current estimated total number of households in the service area. _____
2. Enter the total number of households interviewed. _____
3. Enter the total number of low- and moderate-income households interviewed. _____
4. Enter the total number of persons living in the low- and moderate-income households interviewed. _____
5. Enter the total number of households interviewed in which the income was above the low- and moderate-income level. _____
6. Enter the total number of persons living in the households interviewed in which the income was above the low- and moderate-income level. _____
7. Divide Line 4 by Line 3. (This is the average size of low- and moderate-income households interviewed.) _____
8. Divide Line 6 by Line 5. (This is the average size of non low- and moderate-income households interviewed.) _____
9. Divide Line 3 by Line 2. (This is the approximate percentage of households interviewed that have low- and moderate-incomes.) _____
10. Divide Line 5 by Line 2. (This is the percentage of households interviewed that do not have low- and moderate-incomes.) _____
11. **Multiply Line 1 by Line 9.** (This is the estimate of the total number of low- and moderate-income households in the service area.) _____
12. Multiply Line 1 by Line 10. (This is the estimate of the total number of non-low - and moderate-income households in the service area.) _____
13. **Multiply Line 7 by Line 11.** (This is the estimate of the total number of low- and moderate-income persons in the service area.) _____
14. Multiply Line 8 by Line 12. (This is the estimate of the total number of non low - and moderate-income persons in the service area.) _____
15. Add Line 13 and Line 14. (This is the estimate of the total number of persons in the service area.) _____
16. Divide Line 13 by Line 15, and multiply the resulting decimal by 100. (This is the approximate percentage of persons in the service area who have low- and moderate-incomes.) _____

INCOME SURVEY WORKSHEET INSTRUCTIONS

The Income Survey Worksheet provides a summary of the results from an income survey conducted by the applicant jurisdiction to document the number and percentage of LMI persons and households in a proposed project service area.

To complete the worksheet, follow the instructions provided in each of the numbered sentences on the worksheet. The survey sample size (line 2) must be of adequate size and sufficiently random to provide a statistically valid database, as defined by the Community Survey Guide (Appendix C).

Income surveys must be the most recently conducted since January 2001. See Appendix C for guidance.

NOTE: Jurisdictions seeking funds from U.S. Rural Development (RD) sometimes conduct surveys to determine the median income level. One survey can be conducted to meet both CDBG and RD requirements by simply asking for the actual household income and the number of persons in the household. The sample in Appendix C, Attachment 3, could be easily modified to reflect this change.

When an Income Survey is used: Submit the following documentation of the survey process:

1. A sample of the survey tool, tallying the number of responses by household size.
2. A written description of the survey process, describing how the universe was defined and efforts to ensure randomness.
3. The Income Survey Worksheet (page 67).

LOW- AND MODERATE-INCOME BENEFIT TABLE

(See instructions on next page.)

A Activity	Non-Housing Activities			Housing Activities			D Total CDBG Dollars Requested	E Total Funds to Benefit LMI Persons/ Households	F HUD National Objective
	B-1 Total Number of Persons Benefited	B-2 Number of LMI Persons Benefited	B-3 Benefit Index % for Persons	C-1 Total Number of Households Benefited	C-2 Number of LMI Households Benefited	C-3 Benefit Index % for Households			

G. Total Project Benefit to Low- and Moderate-Income Persons/Households:

Total of Column E \$_____ divided by total of Column D \$_____ = _____%

H. Average CDBG Investment Per Household Benefited:

Total of Column D \$_____ divided by the total households in the service area that will benefit _____ = \$_____ per household.

I. When the benefit in the B-3 or C-3 columns are less than 100 percent, attach a listing of all data sources and a description of methods used to generate data for this table. See the instructions for more detail.

J. When the benefit in the B-3 or C-3 columns are 100 percent, attach a description of the process to be used to determine LMI eligibility.

LOW- AND MODERATE-INCOME BENEFIT TABLE INSTRUCTIONS

The information contained in this table will be used for the threshold review of low- and moderate-income (LMI) benefit for each activity. To determine the benefit to LMI persons or households, applicants must provide existing documentation, conduct an income survey with an adequate methodology and response rate, or describe the method to be used for establishing income eligibility. If the means for determining benefit is not adequate, the activity to which the benefit applies will be eliminated from consideration or the entire application may not be accepted. At a minimum, 51 percent of the beneficiaries of each activity must have low- or moderate-incomes. Each calculation must be based on reliable and verifiable data. Consult CDBG Program staff if you have questions.

First, determine whether an activity proposed for CDBG funding is a housing or non-housing activity. For more information on eligible housing activities, see the Overview of Eligible and Ineligible Activities on page 19 or contact the CDBG Program. Then follow the specific instructions for housing or non-housing activities below.

Column A: List each project activity including general administration. (Examples are water improvements, acquisition, community facilities, side service connections, etc.)

For Non-Housing Activities

Column B-1: For each non-housing activity, enter the total number of **persons** that will benefit.

When an INCOME SURVEY is used: Refer to line 15 of the Income Survey Worksheet for the number of **persons** that will benefit or use more current population data, if available.

Column B-2: For each non-housing activity, enter the total number of LMI **persons** that will benefit.

When an INCOME SURVEY is used: Refer to line 13 of the Income Survey Worksheet for the number of LMI **persons** that will benefit. **-OR-**

When CENSUS DATA are used: Multiply the number in Column B-1 by the percent in Column B-3.

For 100% direct benefit activities, the number of **persons** in Columns B-1 and B-2 should be the same.

Column B-3: For each non-housing activity, enter the Benefit Index (%) for **persons**.

When an INCOME SURVEY is used: Use the percent in line 16 of the Income Survey Worksheet or calculate the Benefit Index for non-housing activities by dividing the number in Column B-2 by the number in Column B-1. **-OR-**

When CENSUS DATA are used: Refer to Appendix A for a listing of jurisdictions with at least a 51 percent LMI population. If the project service area is an unincorporated jurisdiction, a smaller area within an incorporated jurisdiction or an area that extends beyond the jurisdiction, contact the CDBG Program staff for additional guidance on locating applicable census data. **-OR-**

If an activity or program is targeting persons belonging to one of HUD's special groups listed on page 64, and an income survey of this population has not been conducted, you can use 51 percent

as the Benefit Index (Column B-3), but you must also explain how the activity is targeting the special group (Row I).

Column E: For each non-housing activity, calculate the Total Funds to Benefit LMI **persons**, by multiplying Column B-3 by Column D.

Columns G-J: Follow the instructions for these columns on the following pages.

For Housing Activities

Column C-1: For each housing activity, enter the total number of **housing units** or **households**.

Column C-2: For each housing activity, enter the total number of LMI **housing units for LMI households**. For more information on eligible housing activities, see the Overview of Eligible and Ineligible Activities on page 19.

For multiple unit housing projects, over half of the units must benefit LMI households. Please contact CDBG Program staff for more specific requirements.

For 100% direct benefit activities, the number of households in Column C-1 and C-2 should be the same.

Column C-3: For each housing activity, enter the Benefit Index (%) for **households**.

Calculate the Benefit Index for housing activities by dividing the number in Column C-2 by the number in Column C-1.

When the activity provides a direct benefit to only LMI households, enter 100 percent.

NOTE: To determine the Benefit Index for general administration, use the Benefit Index listed for the activity with the highest dollar amount in Column D (Total CDBG Request).

Column D: List the total amount of CDBG funds that will be used for each activity.

Column E: For each housing activity, calculate the Total Funds to Benefit LMI **households**, by multiplying Column C-3 by Column D.

Column F: For each activity, indicate the number of the national objective it meets. (In most cases, the activity will meet the first national objective.)

1. Principally benefits persons of low- and moderate-income households.
2. Eliminates slums or blight.
3. Meets urgent community development needs that are a threat to public health or safety.

Row G: To calculate the Total Project Benefit to LMI Persons/Households for the entire project, divide the total of Column E by the total of Column D.

Row H: To calculate the Average CDBG Investment Per Household Benefited, divide the total of Column D by the total households in the service area that will benefit. This average amount must be less than the maximum limit for the activity (see Maximum Average CDBG Investment Per Household Benefited Requirement, page 12).

Row I: Attach a listing of all data sources, a description of methods used to generate data and the basis for the activities' principal benefit to LMI persons and/or households. This must be complete to pass threshold review.

When an INCOME SURVEY is used: **Submit the following documentation** of the survey process:

1. A sample of the survey tool, tallying the number of responses by household size.
2. A written description of the survey process, describing how the universe was defined and efforts to ensure randomness.
3. The Income Survey Worksheet (page 67).

When CENSUS DATA is used: List the census tract(s) and provide associated maps.

If a proposed project, such as a community center, is to provide space that will benefit the entire area but also is to provide space that targets lower income or special need clientele, then the LMI Benefit Table must document that either the entire project can qualify as an area benefit project OR that area data and income qualification data can be combined in proportion to the space used to demonstrate the project's overall benefit to LMI persons. A description of the methods used to establish the benefit for each specific activity must be attached to this Table.

Row J: When the benefit listed in Column B-3 or C-3 of this table is 100 percent, describe the process and income levels to be used to establish LMI eligibility. Use attachments as necessary.